

WACHOVIA

Wachovia Corporation
100 North Main Street
Winston-Salem, North Carolina 27150

April 12, 1999

Office of the Fiscal Assistant Secretary
U.S. Department of the Treasury
1500 Pennsylvania Avenue, N.W., Suite 2112
Washington, D.C. 20220

Re: RIN 1505-AA74
Possible Regulation Regarding Access to Accounts at Financial Institutions
Through Payment Service Providers

Dear Sir:

This comment letter is submitted on behalf of Wachovia Bank, National Association (hereinafter referred to as "Wachovia"). Wachovia appreciates the opportunity to provide input on whether the Secretary of the Treasury ("Treasury") should regulate or prohibit arrangements between financial institutions and nondepository payment service providers for recipient access to electronic federal payments. Via these third party arrangements, electronic federal payments would be deposited into an account at a financial institution but made available to the recipient through a payment service provider, such as a check casher. Wachovia is *opposed* to such arrangements and believes that these arrangements should be prohibited.

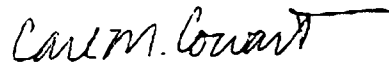
One objective of the EFT '99 program is to bring the unbanked into the mainstream of the financial services system. The proposed Electronic Transaction Account ("ETASM") will provide easy access to electronic federal payments at a reasonable cost and with the same consumer protections that are provided to other account holders. In addition to the ETASM, some financial institutions may provide access to these payments by designing their own low cost account. Arrangements whereby these payments are accessed through a payment service provider and not a financial institution appear to be in contradiction to the objectives of the EFT '99 program. Such arrangements could result in higher costs for the recipient and less consumer protection. Rather than implement additional regulations covering these third party arrangements, we feel that they should not be allowed.

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Again, Wachovia appreciates the opportunity to comment on this proposal, and we hope these comments will be helpful to the Treasury.

Very truly yours,



Carl M. Cowart
Senior Vice President
and Corporate Compliance Officer

WACHOVIA

TELECOPIER TRANSMISSION

DATE: 4/12/99TIME: 10:30 AMPLEASE DELIVER THE FOLLOWING 3 PAGES INCLUDING THIS PAGE TO:NAME: ROGER BEZDEK, SENIOR ADVISOR FOR FISCAL MANAGEMENTCOMPANY: U.S. DEPARTMENT OF THE TREASURY LOCATION: OFFICE OF THE FISCAL ASSISTANT SECRETARYCITY/STATE: WASHINGTON, DC FAX NUMBER: (202) 622-0962

THIS TRANSMISSION WAS FROM:

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ADDITIONAL INFORMATION:

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